

To: Dermer, Michele[Dermer.Michele@epa.gov]
Cc: Albright, David[Albright.David@epa.gov]; McWhirter, Lisa[McWhirter.Lisa@epa.gov]; Engelman, Alexa[ENGELMAN.ALEXA@EPA.GOV]; Moffatt, Brett[Moffatt.Brett@epa.gov]
From: Montgomery, Michael
Sent: Thur 7/16/2015 3:32:14 PM
Subject: RE: Wells in the Santa Margarita formation, Fruitvale Field

Thanks, got it. We will discuss today

Ex. 5 - Deliberative Process

Refinery, that are regulated by the Regional Board, Central Valley, under WDRs dating back to 1991. These WDR documents, which we have, speak to the aquifer exemption status of the Santa Margarita Fm as exempt because “Class II disposal is allowed in this hydrocarbon bearing zone in the Fruitvale Field per the MOA”. This is partly correct, as Steve’s memo indicates, but only the portion of the formation which is hydrocarbon producing is exempt, not the entire formation within the administrative boundaries of the field, as the operators have interpreted and how we interpreted the situation for many years.

2. We, EPA, began working with Alon (formerly Equilon Enterprises, also formerly Texaco

Ex. 5 - Deliberative Process

from this formation. Water Board has confirmed this again recently. It was faulty logic at the time, but it's done. It would seem then that we are the backstop.

8. Brett has again asked Hathaway to provide copies of the permits they are saying EPA has issued for these wells. Nothing received as yet.

Ex. 5 - Deliberative Process

From: Bohlen, Steven@DOC [<mailto:Steven.Bohlen@conservation.ca.gov>]
Sent: Thursday, July 02, 2015 3:40 PM
To: Montgomery, Michael; Albright, David
Cc: Habel, Rob@DOC; Reeves, Bruce@DOC
Subject: Wells in the Santa Margarita formation, Fruitvale Field

Mike and David,

We have had several interactions with Hathaway LLC concerning this operator's application for a UIC permit into the Santa Margarita formation in the Fruitvale Field, Kern County. The operator has obtained several documents indicating decisions made by the Water Board and US EPA allowing injection into the Santa Margarita, even though from our analysis, there was no exemption for this aquifer in the State's primacy agreement.

Attached is a summary of what we know based on the documents Hathaway LLC has obtained as well as our own analysis.

Even though the Division's position is that an aquifer exemption would be needed for us to proceed with a UIC permit, the operator feels there is sufficient data to indicate that the aquifer is already exempt. In particular the waste wells permitted by EPA are a key example used by the operator.

The operator implied that it is considering legal action against the Division over its position in this matter.

I am interested in your position on these wells and your assessment of the exemption status of the Santa Margarita in the Fruitvale.

Thanks for your help.

Steve

Steven R. Bohlen

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